

OFFICE OF THE GOVERNOR
Governor Chet Culver ★ Lt. Governor Patty Judge

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Governor Culver Announces New Jobs and State Savings Up to \$1 Million

Medicaid Transportation Broker to create 100 Iowa jobs

DES MOINES – Governor Chet Culver announced today that a company specializing in arranging transportation for Medicaid enrollees will locate its Midwestern headquarters in Des Moines this fall, creating up to 100 jobs and saving the state about \$1 million annually.

Governor Culver said that TMS Management Group, a transportation broker based in Clearwater, Florida, has won a three-year contract to arrange non-emergency transportation for Iowa Medicaid members.

TMS, which provides a similar service in several Midwestern states, subsequently decided to create a customer call center in Des Moines to administer all of its Midwest operations.

“This is smart government in action,” Governor Culver said. “We’re saving Iowa tax money while improving non-emergency transportation for eligible Medicaid recipients. In addition, we’re providing an enormous work-saver for state employees and we get additional jobs for Iowa.”

Federal law requires states to provide health-related transportation for Medicaid enrollees. Currently in Iowa and many other states, Medicaid reimburses enrollees – known as members – for the cost of providing their own rides to doctors or pharmacies.

Beginning next October, TMS will assume responsibility for administering this program.

TMS will provide the service for about \$10 million a year, which is comparable to the cost of the current system, but Iowa taxpayers will save about \$1 million a year because the federal share of the cost is greater under the new system.

Governor Culver said the arrangement is particularly helpful because TMS, rather than the Iowa Department of Human Services which administers the Medicaid program, will process claims. The transition will ease pressure on DHS workers, whose workloads have increased because of attrition and retirements. More than 300,000 Iowa Medicaid members are eligible for health-related transportation.

TMS officials said they are pleased to expand to Iowa. "We plan to work closely with Medicaid members to ensure a smooth transition regarding their transportation, and we look forward to a long relationship with Iowa Medicaid," said David McDonald, president of TMS.

Iowa Media: David McDonald of TMS is available for comment at 866-790-8859.

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